

## DISADVANTAGED BUSINESS ENTERPRISES

### 1. POLICY STATEMENT

The Virginia Department of Transportation is committed to fostering the utilization of Disadvantaged Business Enterprises (DBEs) in all its procurement activities. Accordingly, offerors shall make good-faith efforts to ensure that DBEs have the maximum practicable opportunity to compete for subcontract work in connection with this project. For this project, the Department has not established a numerical DBE-participation goal.

While the Department has established no numerical DBE participation goals for this project, the offeror is encouraged to faithfully consider DBEs for all subcontracting opportunities pursuant to the Department's policy.

### 2. DBE PROGRAM DEFINITIONS

A. **"Disadvantaged Business Enterprise (DBE)"** is a small business concern owned and controlled by socially and economically disadvantaged individuals.

B. **"Socially and Economically Disadvantaged Individuals"** are those individuals who are citizens of the United States (or lawfully admitted permanent residents) and who are Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, or Asian-Indian Americans, women and any other individuals found to be disadvantaged by the Small Business Administration pursuant to Section 8(a) of the Small Business Act, 15 U.S.C. 637(a).

C. **Disadvantaged Individual**

Defined as a person who is a citizen or lawful permanent resident of the United States and who is:

1. **"Black American,"** which includes persons having origins in any of the Black racial groups of Africa;
2. **"Hispanic American,"** which includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;
3. **"Native American,"** which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;

4. **"Asian-Pacific American,"** which includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, The Philippines, Samoa, Guam, the U.S. Trust Territories of the Pacific, and the Northern Marianas;
5. **"Asian-Indian American,"** which includes persons whose origins are from India, Pakistan, and Bangladesh;
6. **"Women,"** regardless of ethnicity; and
7. **"Other,"** any other individuals found to be disadvantaged by the Small Business Administration pursuant to Section 8(a) of the Small Business Act.

D. **"Small Business Concern,"** means a small business as defined pursuant to Section 3 of the Small Business Act and relevant regulations promulgated pursuant thereto, 13 CFR, Part 121, Final Rule dated May 25, 1988.

E. **Owned and Controlled**

Defined as a business concern: (a) which is at least 51 percent owned by one or more socially and economically disadvantaged individuals, or, in the case of any public owned business, at least 51 percent of the stock of which is owned by one or more socially and economically disadvantaged individuals; and (b) whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

3. **Contractor's Obligation**

- 3.1 During the term of the contract/purchase order, the contractor shall continue to make good faith efforts to ensure that DBEs committed to in the bid have maximum opportunity to successfully perform in the contract. These efforts shall include but not be limited to the following:
  - 3.1.1 Negotiating in good faith to attempt to finalize and execute a subcontract agreement with the DBEs committed to in the Bid.
  - 3.1.2 Continuing to provide assistance to DBE subcontractors or suppliers in obtaining bonding, lines of credit, etc., if required by the contractor.
  - 3.1.3 Notifying a DBE in writing of any potential problem and attempting to resolve the problem prior to formally requesting

Department approval to substitute for the DBE subcontractor.

3.1.4 As with all subcontractors, timely payment of all monies due and owing to DBE subcontractors and suppliers.

3.1.5 Timely submittal of complete and accurate DBE monthly reports in accordance with Article 3.3 below.

3.2 Substitution of Subcontractors -- If a contractor requests a substitution of DBE subcontractors or suppliers, the contractor shall exert good faith efforts to replace a DBE subcontractor with another DBE subcontractor, subject to the approval of the Department.

3.3 Contract Compliance Reporting Requirements -- The contractor shall submit monthly progress reports to the Department, in conformance with the currently approved schedule, reflecting its DBE participation. The Summary Subcontracts Award and Paid Report shall be submitted monthly to comply with this reporting requirement.

3.4 Change in Contract Amount -- The dollar amount of change orders, or any other contract modifications that increase or decrease the work area in which DBE's participation has been committed to in the proposal, shall be commensurately added to, or subtracted from, the total contract base figure used to compute actual dollars paid to DBEs. Revised total contract dollar values shall be reflected in the monthly progress report submitted to the Department and referenced in Section 3.3 above.

#### 4. DBE Certification

4.1 DBE firms need not be certified as of the bid date, but must be certified prior to contract award.

4..2 A current DBE list may be obtained on-line at [www.DMBE.state.va.us](http://www.DMBE.state.va.us), or by contacting: Department of Minority Business Enterprise, 200-202 9<sup>th</sup> Street, 11<sup>th</sup> Floor, Richmond, Va. 23219 or by calling: (804) 786-8565